

103D CONGRESS
1ST SESSION

S. 244

To stimulate enterprise development in economically distressed urban and rural areas through public and private partnerships facilitated by community development corporations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 27 (legislative day, JANUARY 5), 1993

Mr. KENNEDY (for himself, Mr. JEFFORDS, Mr. DODD, Mr. METZENBAUM, Mr. DECONCINI, Mr. SIMON, Mr. HARKIN, Mr. KERRY, Mr. BRADLEY, Mr. KOHL, Mr. INOUE, Mr. WELLSTONE, Ms. MIKULSKI, Mr. PELL, and Mr. MCCAIN), introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

A BILL

To stimulate enterprise development in economically distressed urban and rural areas through public and private partnerships facilitated by community development corporations, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; FINDINGS AND PURPOSE.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “National Community Economic Partnership Act of
6 1993”.

7 (b) FINDINGS.—Congress finds that—

1 (1) the cities, towns, small communities and
2 rural areas throughout the United States face criti-
3 cal social and economic problems arising in part
4 from a lack of economic growth in community based
5 economies;

6 (2) the crisis facing local economies has re-
7 sulted in—

8 (A) a growing percentage of the workforce
9 earning poverty level wages, even though they
10 work full time and year round;

11 (B) the percentage of the labor force living
12 below the poverty line increasing from 25.7 per-
13 cent in 1979 to 31.5 percent in 1987;

14 (C) population losses, rising unemployment
15 and a decline of the farm sector and of many
16 other rural industries (such as timber, oil, gas,
17 and mining) contribute to the decline of rural
18 economies;

19 (D) with respect to rural areas, 31.9 per-
20 cent of the workforce falling below the poverty
21 line in 1979, with that percentage rising to
22 42.1 percent in 1987;

23 (E) with respect to urban areas, 23.4 per-
24 cent of the workforce falling below the poverty

1 line in 1979, with that percentage rising to
2 28.9 percent in 1987; and

3 (F) the average wage and salary income of
4 the 90 percent of the population with the lowest
5 incomes, between 1977 and 1988, falling 3.5
6 percent in contrast to the richest 1 percent of
7 the population whose incomes more than dou-
8 bled in that time period.

9 (3) the future well-being of the United States
10 and the well-being of its citizens depends on the es-
11 tablishment and maintenance of viable community
12 development enterprises;

13 (4) meeting the goal of establishing and main-
14 taining viable community development enterprises
15 requires—

16 (A) increased public and private invest-
17 ment in business development activities, espe-
18 cially in the small business sector which gen-
19 erates the majority of new jobs as evidenced by
20 the fact that between 1980 and 1986, enter-
21 prises with less than 100 employees accounted
22 for more than 50 percent of the jobs created in
23 the United States;

24 (B) increased investment and technical as-
25 sistance to existing community based enter-

1 prises as evidenced by the fact that during the
2 first half of the 1980's, more than 75 percent
3 of the total net new jobs in the United States
4 came from the expansion of existing businesses;

5 (C) a substantial expansion and greater
6 continuity in the scope of Federal programs
7 that support community based economic devel-
8 opment strategies;

9 (D) the continuing efforts at Federal,
10 State and local levels to coordinate the plan-
11 ning, implementation and evaluation of commu-
12 nity economic development efforts; and

13 (5) community development corporations, due
14 to their proven capacity and achievements in both
15 the field of community based housing and economic
16 development, are appropriate vehicles through which
17 to advance a national community economic develop-
18 ment program because—

19 (A) there are currently over 2000 commu-
20 nity development corporations throughout the
21 United States, operating projects that promote
22 community based housing and economic devel-
23 opment;

24 (B) community development corporations
25 operate in every State and in virtually every

1 major city in the United States, and account
2 for many of the existing efforts undertaken to
3 meet the needs of low income persons in both
4 urban and rural communities;

5 (C) community development corporations
6 have developed some 300,000 units of housing,
7 with over 90 percent of these units for use by
8 low income occupants;

9 (D) community development corporations
10 have developed over 19,000,000 square feet of
11 retail space, offices, industrial parks and other
12 industrial developments in economically dis-
13 tressed communities;

14 (E) community development corporations
15 have made loans to over 3000 enterprises, eq-
16 uity investments in 242 ventures and own and
17 operate 427 businesses; and

18 (F) community development corporations
19 commercial, industrial and business enterprise
20 development activities have accounted for the
21 creation and retention of nearly 90,000 jobs in
22 the last five years.

23 (c) PURPOSE.—It is the purpose of this Act to stimu-
24 late enterprise development in economically distressed

1 urban and rural areas through public and private partner-
2 ships facilitated by community development corporations.

3 **TITLE I—COMMUNITY ECO-**
4 **NOMIC PARTNERSHIP IN-**
5 **VESTMENT FUNDS**

6 **SEC. 101. PURPOSE.**

7 It is the purpose of this title to increase private in-
8 vestment in distressed local communities and to build and
9 expand the capacity of local institutions to better serve
10 the economic needs of local residents through the provision
11 of financial and technical assistance to community devel-
12 opment corporations.

13 **SEC. 102. PROVISION OF ASSISTANCE.**

14 (a) **AUTHORITY.**—The Secretary of Health and
15 Human Services (hereafter referred to in this Act as the
16 “Secretary”) is authorized, in accordance with this title,
17 to provide nonrefundable lines of credit to community de-
18 velopment corporations for the establishment, mainte-
19 nance or expansion of revolving loan funds to be utilized
20 to finance projects intended to provide business and em-
21 ployment opportunities for low-income, unemployed, or
22 underemployed individuals and to improve the quality of
23 life in urban and rural areas.

24 (b) **REVOLVING LOAN FUNDS.**—

1 (1) COMPETITIVE ASSESSMENT OF APPLICA-
2 TIONS.—In providing assistance under subsection
3 (a), the Secretary shall establish and implement a
4 competitive process for the solicitation and consider-
5 ation of applications from eligible entities for lines of
6 credit for the capitalization of revolving funds.

7 (2) ELIGIBLE ENTITIES.—To be eligible to re-
8 ceive a line of credit under this title an applicant
9 shall—

10 (A) be a community development corpora-
11 tion;

12 (B) prepare and submit an application to
13 the Secretary that shall include a strategic in-
14 vestment plan that identifies and describes the
15 economic characteristics of the target area to be
16 served, the types of business to be assisted and
17 the impact of such assistance on low-income,
18 underemployed, and unemployed individuals in
19 the target area;

20 (C) demonstrate previous experience in the
21 development of low-income housing or commu-
22 nity or business development projects in a low-
23 income community and provide a record of
24 achievement with respect to such projects; and

1 (D) have secured one or more commit-
2 ments from local sources for contributions (ei-
3 ther in cash or in kind, letters of credit or let-
4 ters of commitment) in an amount that is at
5 least equal to the amount requested in the ap-
6 plication submitted under subparagraph (B).

7 (3) EXCEPTION.—Notwithstanding the provi-
8 sions of paragraph (2)(D), the Secretary may reduce
9 local contributions to not less than 25 percent of the
10 amount of the line of credit requested by the com-
11 munity development corporation if the Secretary de-
12 termines such to be appropriate in accordance with
13 section 106.

14 **SEC. 103. APPROVAL OF APPLICATIONS.**

15 (a) IN GENERAL.—In evaluating applications submit-
16 ted under section 102(b)(2)(B), the Secretary shall ensure
17 that—

18 (1) the residents of the target area to be served
19 (as identified under the strategic development plan)
20 would have an income that is less than the median
21 income for the area (as determined by the Sec-
22 retary);

23 (2) the applicant community development cor-
24 poration possesses the technical and managerial ca-
25 pability necessary to administer a revolving loan

1 fund and has past experience in the development
2 and management of housing, community and eco-
3 nomic development programs;

4 (3) the applicant community development cor-
5 poration has provided sufficient evidence of the ex-
6 istence of good working relationships with—

7 (A) local businesses and financial institu-
8 tions, as well as with the community the cor-
9 poration proposes to serve; and

10 (B) local and regional job training pro-
11 grams;

12 (4) the applicant community development cor-
13 poration will target job opportunities that arise from
14 revolving loan fund investments under this title so
15 that 75 percent of the jobs retained or created under
16 such investments are provided to—

17 (A) individuals with—

18 (i) incomes that do not exceed the
19 Federal poverty line; or

20 (ii) incomes that do not exceed 80
21 percent of the median income of the area;

22 (B) individuals who are unemployed or un-
23 deremployed;

24 (C) individuals who are participating or
25 have participated in job training programs au-

1 thorized under the Job Training Partnership
2 Act (29 U.S.C. 1501 et seq.) or the Family
3 Support Act of 1988 (Public Law 100–485);

4 (D) individuals whose jobs may be retained
5 as a result of the provision of financing avail-
6 able under this title; or

7 (E) individuals who have historically been
8 underrepresented in the local economy; and

9 (5) a representative cross section of applicants
10 are approved, including large and small community
11 development corporations, urban and rural commu-
12 nity development corporations and community devel-
13 opment corporations representing diverse popu-
14 lations.

15 (b) PRIORITY.—In determining which application to
16 approve under this title the Secretary shall give priority
17 to those applicants proposing to serve a target area—

18 (1) with a median income that does not exceed
19 80 percent of the median for the area (as deter-
20 mined by the Secretary); and

21 (2) with a high rate of unemployment, as deter-
22 mined by the Secretary or in which the population
23 loss is at least 7 percent from April 1, 1980, to
24 April 1, 1990, as reported by the Bureau of the
25 Census.

1 **SEC. 104. AVAILABILITY OF LINES OF CREDIT AND USE.**

2 (a) APPROVAL OF APPLICATION.—The Secretary
3 shall provide a community development corporation that
4 has an application approved under section 103 with a line
5 of credit in an amount determined appropriate by the Sec-
6 retary, subject to the limitations contained in subsection
7 (b).

8 (b) LIMITATIONS ON AVAILABILITY OF AMOUNTS.—

9 (1) MAXIMUM AMOUNT.—The Secretary shall
10 not provide in excess of \$2,000,000 in lines of credit
11 under this title to a single applicant.

12 (2) PERIOD OF AVAILABILITY.—A line of credit
13 provided under this title shall remain available over
14 a period of time established by the Secretary, but in
15 no event shall any such period of time be in excess
16 of 3 years from the date on which such line of credit
17 is made available.

18 (3) EXCEPTION.—Notwithstanding paragraphs
19 (1) and (2), if a recipient of a line of credit under
20 this title has made full and productive use of such
21 line of credit, can demonstrate the need and demand
22 for additional assistance, and can meet the require-
23 ments of section 102(b)(2), the amount of such line
24 of credit may be increased by not more than
25 \$1,500,000.

1 (c) AMOUNTS DRAWN FROM LINE OF CREDIT.—

2 Amounts drawn from each line of credit under this title
3 shall be used solely for the purposes described in section
4 101 and shall only be drawn down as needed to provide
5 loans, investments, or to defray administrative costs relat-
6 ed to the establishment of a revolving loan fund.

7 (d) USE OF REVOLVING LOAN FUNDS.—Revolving
8 loan funds established with lines of credit provided under
9 this title may be used to provide technical assistance to
10 private business enterprises and to provide financial as-
11 sistance in the form of loans, loan guarantees, interest re-
12 duction assistance, equity shares, and other such forms
13 of assistance to business enterprises in target areas and
14 who are in compliance with section 103(a)(4).

15 **SEC. 105. LIMITATIONS ON USE OF FUNDS.**

16 (a) MATCHING REQUIREMENT.—Not to exceed 50
17 percent of the total amount to be invested by an entity
18 under this title may be derived from funds made available
19 from a line of credit under this title.

20 (b) TECHNICAL ASSISTANCE AND ADMINISTRA-
21 TION.—Not to exceed 10 percent of the amounts available
22 from a line of credit under this title shall be used for the
23 provision of training or technical assistance and for the
24 planning, development, and management of economic de-
25 velopment projects. Community development corporations

1 shall be encouraged by the Secretary to seek technical as-
2 sistance from other community development corporations,
3 with expertise in the planning, development and manage-
4 ment of economic development projects. The Secretary
5 shall assist in the identification and facilitation of such
6 technical assistance.

7 (c) LOCAL AND PRIVATE SECTOR CONTRIBUTIONS.—
8 To receive funds available under a line of credit provided
9 under this title, an entity, using procedures established by
10 the Secretary, shall demonstrate to the community devel-
11 opment corporation that such entity agrees to provide
12 local and private sector contributions in accordance with
13 section 102(b)(2)(D), will participate with such commu-
14 nity development corporation in a loan, guarantee or in-
15 vestment program for a designated business enterprise,
16 and that the total financial commitment to be provided
17 by such entity is at least equal to the amount to be drawn
18 from the line of credit.

19 (d) USE OF PROCEEDS FROM INVESTMENTS.—Pro-
20 ceeds derived from investments made using funds made
21 available under this title may be used only for the pur-
22 poses described in section 101 and shall be reinvested in
23 the community in which they were generated.

1 **SEC. 106. PROGRAM PRIORITY FOR SPECIAL EMPHASIS**
2 **PROGRAMS.**

3 (a) IN GENERAL.—The Secretary shall give priority
4 in providing lines of credit under this title to community
5 development corporations that propose to undertake eco-
6 nomic development activities in distressed communities
7 that target women, Native Americans, at risk youth, farm-
8 workers, population-losing communities, very low-income
9 communities, single mothers, veterans, and refugees; or
10 that expand employee ownership of private enterprises and
11 small businesses, and to programs providing loans of not
12 more than \$35,000 to very small business enterprises.

13 (b) RESERVATION OF FUNDS.—Not less than 5 per-
14 cent of the amounts made available under section
15 403(a)(2)(A) may be reserved to carry out the activities
16 described in subsection (a).

17 **TITLE II—EMERGING COMMU-**
18 **NITY DEVELOPMENT COR-**
19 **PORATIONS**

20 **SEC. 201. COMMUNITY DEVELOPMENT CORPORATION IM-**
21 **PROVEMENT GRANTS.**

22 (a) PURPOSE.—It is the purpose of this section to
23 provide assistance to community development corporations
24 to upgrade the management and operating capacity of
25 such corporations and to enhance the resources available

1 to enable such corporations to increase their community
2 economic development activities.

3 (b) SKILL ENHANCEMENT GRANTS.—

4 (1) IN GENERAL.—The Secretary shall award
5 grants to community development corporations to
6 enable such corporations to attain or enhance the
7 business management and development skills of the
8 individuals that manage such corporations to enable
9 such corporations to seek the public and private re-
10 sources necessary to develop community economic
11 development projects.

12 (2) USE OF FUNDS.—A recipient of a grant
13 under paragraph (1) may use amounts received
14 under such grant—

15 (A) to acquire training and technical as-
16 sistance from agencies or institutions that have
17 extensive experience in the development and
18 management of low-income community eco-
19 nomic development projects; or

20 (B) to acquire such assistance from other
21 highly successful community development cor-
22 porations.

23 (c) OPERATING GRANTS.—

24 (1) IN GENERAL.—The Secretary shall award
25 grants to community development corporations to

1 enable such corporations to support an administra-
2 tive capacity for the planning, development, and
3 management of low-income community economic de-
4 velopment projects.

5 (2) USE OF FUNDS.—A recipient of a grant
6 under paragraph (1) may use amounts received
7 under such grant—

8 (A) to conduct evaluations of the feasibility
9 of potential low-income community economic de-
10 velopment projects that address identified needs
11 in the low-income community and that conform
12 to those projects and activities permitted under
13 title I;

14 (B) to develop a business plan related to
15 such a potential project; or

16 (C) to mobilize resources to be contributed
17 to a planned low-income community economic
18 development project or strategy.

19 (d) APPLICATIONS.—A community development cor-
20 poration that desires to receive a grant under this section
21 shall prepare and submit to the Secretary an application
22 at such time, in such manner, and containing such infor-
23 mation as the Secretary may require.

24 (e) AMOUNT AVAILABLE FOR A COMMUNITY DEVEL-
25 OPMENT CORPORATION.—Amounts provided under this

1 section to a community development corporation shall not
2 exceed \$75,000 per year. Such corporations may apply for
3 grants under this section for up to 3 consecutive years,
4 except that such corporations shall be required to submit
5 a new application for each grant for which such corpora-
6 tion desires to receive and compete on the basis of such
7 applications in the selection process.

8 **SEC. 202. EMERGING COMMUNITY DEVELOPMENT COR-**
9 **PORATION REVOLVING LOAN FUNDS.**

10 (a) **AUTHORITY.**—The Secretary is authorized to
11 award grants to emerging community development cor-
12 porations to enable such corporations to establish, main-
13 tain or expand revolving loan funds, to make or guarantee
14 loans, or to make capital investments in new or expanding
15 local businesses.

16 (b) **ELIGIBILITY.**—To be eligible to receive a grant
17 under subsection (a), an entity shall—

- 18 (1) be a community development corporation;
- 19 (2) have completed not less than one nor more
20 than two community economic development projects
21 or related projects that improve or provide job and
22 employment opportunities to low-income individuals;
- 23 (3) prepare and submit to the Secretary an ap-
24 plication at such time, in such manner, and contain-
25 ing such information as the Secretary may require,

1 including a strategic investment plan that identifies
2 and describes the economic characteristics of the
3 target area to be served, the types of business to be
4 assisted using amounts received under the grant and
5 the impact of such assistance on low-income individ-
6 uals; and

7 (4) have secured one or more commitments
8 from local sources for contributions (either in cash
9 or in kind, letters of credit, or letters of commit-
10 ment) in an amount that is equal to at least 10 per-
11 cent of the amounts requested in the application
12 submitted under paragraph (2).

13 (c) USE OF THE REVOLVING LOAN FUND.—

14 (1) IN GENERAL.—A revolving loan fund estab-
15 lished or maintained with amounts received under
16 this section may be utilized to provide financial and
17 technical assistance, loans, loan guarantees or in-
18 vestments to private business enterprises to—

19 (A) finance projects intended to provide
20 business and employment opportunities for low-
21 income individuals and to improve the quality of
22 life in urban and rural areas; and

23 (B) build and expand the capacity of
24 emerging community development corporations
25 and serve the economic needs of local residents.

1 (2) TECHNICAL ASSISTANCE.—The Secretary
2 shall encourage emerging community development
3 corporations that receive grants under this section to
4 seek technical assistance from established commu-
5 nity development corporations, with expertise in the
6 planning, development and management of economic
7 development projects and shall facilitate the receipt
8 of such assistance.

9 (3) LIMITATION.—Not to exceed 10 percent of
10 the amounts received under this section by a grantee
11 shall be used for training, technical assistance and
12 administrative purposes.

13 (d) USE OF PROCEEDS FROM INVESTMENTS.—Pro-
14 ceeds derived from investments made with amounts pro-
15 vided under this section may be utilized only for the pur-
16 poses described in this title and shall be reinvested in the
17 community in which they were generated.

18 (e) AMOUNTS AVAILABLE.—Amounts provided under
19 this section to a community development corporation shall
20 not exceed \$500,000 per year.

21 **TITLE III—RESEARCH AND** 22 **DEMONSTRATION**

23 **SEC. 301. RESEARCH AND DEMONSTRATION.**

24 (a) GRANTS.—The Secretary shall award grants to
25 organizations to enable such organizations to undertake

1 programs involving research, testing, studies or dem-
2 onstrations related to community economic development.

3 (b) ELIGIBLE ORGANIZATIONS.—To be eligible to re-
4 ceive a grant under this section, an entity shall—

5 (1) be a community development corporation,
6 university, fiscal intermediary or a nonprofit organi-
7 zation involved in community-based economic devel-
8 opment activities; and

9 (2) prepare and submit to the Secretary an ap-
10 plication at such time, in such manner and contain-
11 ing such information as the Secretary determines
12 appropriate.

13 (c) USE OF FUNDS.—Amounts received under a
14 grant awarded under this section shall be made available
15 for studies, reports, tests or demonstration projects that—

16 (1) identify current problems facing both urban
17 and rural low-income communities or specific popu-
18 lation groups within low-income communities and
19 population-losing communities;

20 (2) identify solutions to the problems facing
21 both urban and rural low-income communities or
22 specific population groups within low-income com-
23 munities;

1 (3) examine or critique current strategies being
2 implemented to address economic issues facing low-
3 income communities; and

4 (4) relate to any other matters determined ap-
5 propriate by the Secretary.

6 (d) MAXIMUM AMOUNT OF GRANT.—A grant award-
7 ed under this section shall not exceed \$50,000.

8 **TITLE IV—MISCELLANEOUS**
9 **PROVISIONS**

10 **SEC. 401. JOINT PROGRAMS.**

11 The Secretary shall develop and promulgate, in con-
12 sultation with the heads of other Federal agencies, regula-
13 tions designed to permit, where appropriate, the operation
14 of joint programs under which activities supported with
15 assistance provided under this Act are coordinated with
16 community development activities supported with assist-
17 ance provided under other programs administered by the
18 Secretary and those administered by the heads of such
19 agencies.

20 **SEC. 402. REPORTS.**

21 (a) COMMUNITY DEVELOPMENT CORPORATIONS.—
22 Not later than 2 years after the date on which assistance
23 is provided to a community development corporation under
24 title I or II, every 2 years thereafter, the community devel-
25 opment corporation shall prepare and submit to the Sec-

1 retary a report under this section. Such report shall in-
2 clude—

3 (1) the amount of funds received by the com-
4 munity development corporation;

5 (2) a summary of the uses of such funds;

6 (3) the number of jobs created or retained by
7 the corporation;

8 (4) the number and type of new businesses
9 started, including micro-businesses;

10 (5) the number of jobs created or retained for
11 individuals identified in section 103(a)(4);

12 (6) in the case of funds made available under
13 title I, the source and amount of matching funds;

14 (7) in the case of revolving loan funds made
15 available under title II, the amount of funds lever-
16 aged; and

17 (8) related human services and facilities pro-
18 vided as result of assistance provided under this Act.

19 (b) SECRETARY.—Not later than 3 years after the
20 date on which assistance is first provided under title I or
21 II, and annually thereafter, the Secretary shall prepare
22 and submit to the Committee on Labor and Human Re-
23 sources of the Senate and the Committee on Education
24 and Labor of the House of Representatives a report con-
25 taining a summary of the reports received by the Secretary

1 under subsection (a) for the period in which the report
2 of the Secretary is submitted.

3 **SEC. 403. DEFINITIONS.**

4 As used in this Act:

5 (1) COMMUNITY DEVELOPMENT CORPORA-
6 TION.—The term “community development corpora-
7 tion” means a private, nonprofit corporation whose
8 board of directors is comprised of business, civic and
9 community leaders, and whose principal purpose in-
10 cludes the provision of low-income housing or com-
11 munity economic development projects that primarily
12 benefit low-income individuals and communities.

13 (2) LOCAL AND PRIVATE SECTOR CONTRIBU-
14 TION.—The term “local and private sector contribu-
15 tion” means the funds available at the local level (by
16 private financial institutions, State and local govern-
17 ments) or by any private philanthropic organization
18 and private, nonprofit organizations that will be
19 committed and used solely for the purpose of financ-
20 ing private business enterprises in conjunction with
21 amounts provided under this Act.

22 (3) POPULATION-LOSING COMMUNITY.—The
23 term “population-losing community” means any
24 county in which the net population loss is at least

1 7 percent from April 1, 1980 to April 1, 1990, as
2 reported by the Bureau of the Census.

3 (4) PRIVATE BUSINESS ENTERPRISE.—The
4 term “private business enterprise” means any busi-
5 ness enterprise that is engaged in the manufacture
6 of a product, provision of a service, construction or
7 development of a facility, or that is involved in some
8 other commercial, manufacturing or industrial activ-
9 ity, and that agrees to target job opportunities stem-
10 ming from investments authorized under this Act to
11 certain individuals.

12 (5) TARGET AREA.—The term “target area”
13 means any area defined in an application for assist-
14 ance under this Act that has a population whose in-
15 come does not exceed the median for the area within
16 which the target area is located.

17 (6) VERY LOW-INCOME COMMUNITY.—The term
18 “very low-income community” means a community
19 in which the median income of the residents of such
20 community does not exceed 50 percent of the median
21 income of the area.

22 **SEC. 404. AUTHORIZATION OF APPROPRIATIONS.**

23 (a) COMMUNITY ECONOMIC PARTNERSHIP INVEST-
24 MENT FUNDS AND EMERGING COMMUNITY DEVELOP-
25 MENT CORPORATIONS.—

1 (1) IN GENERAL.—There are authorized to be
2 appropriated to carry out titles I and II,
3 \$40,000,000 for fiscal year 1994, \$100,000,000 for
4 fiscal year 1995, and \$125,000,000 for fiscal year
5 1996.

6 (2) EARMARKS.—Of the aggregate amount ap-
7 propriated under paragraph (1) for each fiscal
8 year—

9 (A) 60 percent shall be available to carry
10 out title I; and

11 (B) 40 percent shall be available to carry
12 out title II.

13 (3) AMOUNTS.—Amounts appropriated under
14 paragraph (1) shall remain available for expenditure
15 without fiscal year limitation.

16 (b) RESEARCH AND DEMONSTRATION.—There are
17 authorized to be appropriated to carry out title III such
18 sums as may be necessary for each of the fiscal years 1994
19 through 1996.

20 **SEC. 405. PROHIBITION.**

21 None of the funds authorized under this Act shall be
22 used to finance the construction of housing.

23 **SEC. 406. EFFECTIVE DATE.**

24 This Act shall take effect as if included in the Omni-
25 bus Budget Reconciliation Act of 1990.



S 244 IS——2